

United States Senate

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October 7, 2009

The Honorable Harry Reid
Senate Majority Leader
Washington, D.C.

The Honorable Max Baucus
Chairman, Senate Finance Committee
Washington, D.C.

Dear Majority Leader  Reid and Chairman  Baucus:

I write to urge you to consider legislation that would provide immediate tax incentives to employers who create new jobs or provide employees with more hours worked. Such legislation has the potential to stem the tide of increasing unemployment and the financial strain for Americans whom have lost their jobs.

The Bureau of Labor Statistics released figures earlier this month showing that the unemployment rate has increased from 9.4% in July to 9.8% in September. In Pennsylvania the unemployment rate has increased from 7.8% in March to approximately 8.6% in August.

Today's *New York Times* story "Support Builds for Tax Credit to Help Hiring" mentions a number of proposals which, if publicized correctly, and provided a prompt incentive, could start putting people back to work immediately. I believe a proposal which provides a \$4,000 tax credit (\$500 per quarter for 2 years per new employee) could have a tremendous and immediate impact on the economy.

This tax incentive to rehire workers, similar to the Cash for Clunkers program, could incentivize companies to expand their workforce and act as a boon to the economy.

Given the significant impact of job loss on economic recovery and the hardship 15.1 million Americans are encountering due to layoffs brought, I urge you to focus on this issue in a timely manner and give it fair and full consideration.

Sincerely,



Arlen Specter

Harry - I hear you are
meeting with the President
later today on the economy,
so I wanted to weigh
in on the issue.

AS/sjh
via email